

C O N F I D E N T I A L ROME 004263

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TAGS: PREL MARR IZ IT NATO IRAOI FREEDOM

SUBJECT: IRAQ: ITALY URGES MORE EU INVOLVEMENT, PLEDGES TO STAY THE COURSE, IN MEETING WITH PM ALLAWI

REF: ROME 4216

Classified By: POL M/C Tom Countryman for reasons 1.4 (b) and (d).

¶1. (C) Summary. In their November 4 meeting in Rome, and on the eve of Iraqi PM Allawi's Brussels meeting with EU leaders, Italian PM Berlusconi and his Iraqi counterpart held a friendly meeting in which they discussed the current situation in Iraq and strategies for securing greater EU and other involvement in the stabilization process. Berlusconi reiterated Italy's pledge to maintain its troops on the ground as long as the Iraqi government requested and stressed the need to get the word out regarding positive developments in Iraq. Allawi, who was accompanied by a delegation of primarily economic ministers, also met with Defense Minister Martino, Minister of Productive Activities Marzano, Pope John Paul II, and members of the Italian business community. End summary.

¶2. (C) PolOff spoke with PM Berlusconi Diplomatic Advisor Francesco Talo on November 4. Talo, who sat in on the November 4 meeting between Iraqi FM Allawi and Berlusconi, described the nearly one-hour meeting as cordial and very positive. (Note: Allawi's dinner with FM Frattini scheduled for the night before was canceled due to the Iraqi delegation's late arrival). Talo said most of what was discussed privately was echoed in public press statements, and that both leaders were eager to get out the good news story on Iraq in order to garner more support for reconstruction efforts.

¶3. (C) According to Talo, both sides expressed appreciation for the other's efforts in Iraqi reconstruction and stabilization, as well as their conviction of the need to hold elections in January. In response to Berlusconi's inquiry regarding the state of the security situation and reconstruction efforts, Allawi said there were positive and negative developments, acknowledging that security is the number one problem, especially terrorism. He emphasized, however, that the terrorists are coming from outside Iraq and that the IIG has had some success in combating them. Furthermore, Allawi said, the IIG is treating the terrorism issue in the broader context of the global war on terror rather than as an internal issue. In the civil sector, Allawi cited several improvements, such as 14 hours a day of electricity and the opening of more hospitals.

¶4. (C) Allawi reportedly emphasized the need to present a realistic assessment of the situation in Iraq, but overall was quite optimistic, especially in view of his November 5 breakfast with EU leaders in Brussels. Berlusconi said it was important to present an optimistic outlook at this meeting in order to secure increased EU involvement in Iraq. Otherwise, he warned, countries such as France would have more ammunition to argue against EU involvement, citing a hopeless situation, which would only perpetuate the vicious circle. Berlusconi added that Allawi should make clear that the old phase was over and a new, positive, one was beginning in which we should be realistic but look forward. Furthermore, he said, the EU should play a more important role, "getting its hands dirty" in both security and civil aspects of rebuilding Iraq, which would also lead to eventual US disengagement.

¶5. (C) Note: The EU currently is discussing the possibility of forming a civilian, possibly ESDP, police-training mission for Iraq and recently sent a team to explore options. Talo did not know where this initiative stands, but said certain countries (the same ones that are being reticent in NATO, i.e., France, Germany, Belgium, etc.) are reluctant to get involved on the ground. End note.

¶6. (C) Talo said that Allawi asked why the EU was involved in the Balkans and other areas but not in Iraq. Berlusconi replied that he had used the same argument with his EU counterparts, noting that in Iraq, like other areas, there is a UN resolution that legitimizes EU actions. He added that Italy wants to help countries with reconstruction efforts and that it would stay in Iraq as long as the Iraqi government

wanted it to. It is important, he stressed, to make it clear

to others and to the public that we are on the right track.

17. (C) Berlusconi reportedly told Allawi that, during the November 2-3 Italo-Russian summit in Moscow, he had spoken with Putin about the upcoming international conference in Sharm-el-Sheik (Note: Talo noted that the conference was originally Putin's idea). Berlusconi stressed to his Russian counterpart the need to involve more countries in Iraq from the G-8, EU, and elsewhere. Talo said that the two leaders did not/not discuss the Italian non-paper reported in reftel.

18. (C) Finally, Talo said that Berlusconi told Allawi that Italy is ahead of other countries in forgiving Iraqi debt and is trying to convince France and Germany to meet IMF recommendations for debt forgiveness.

19. (U) In press statements, Berlusconi was quoted as saying it was Italy's duty as the world's sixth-largest economic power to "shoulder the burden of defending democracy and spreading it in the world." As in Afghanistan, Kosovo, Albania, and Macedonia, Berlusconi said there is "an Italian presence for peace" in Iraq. In his statements, Allawi reconfirmed Iraq's intent to hold elections in January, saying the Iraqi government is determined to defeat the terrorists and to prevent anyone from holding back the peace process. He invited countries that had opposed the war in Iraq to "forget the past" and "develop political and economic relations" with Iraq based on "mutual interest." Minister of Productive Activities Marzano in press statements following his meeting with Allawi, said that he spoke to Allawi about the numerous projects in which the Italians are already involved. Noting that the Iraqi government pays special attention to countries that sent military troops, Marzano said that Iraq would soon have its own funds through which donor countries and Italian businesses could get involved in reconstruction projects.

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